CDP Climate Change Response 2019

REGIONS®

Regions Financial Corporation - Climate Change 2019

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Regions Financial Corporation (NYSE:RF) is a member of the S&P 500 Index and is one of the nation's largest full-service providers of consumer and commercial banking, wealth management, and mortgage products and services. Regions serves customers across the South, Midwest and Texas, and through its subsidiary, Regions Bank, operates approximately 1,500 banking offices and 2,000 ATMs. Additional information about Regions and its full line of products and services can be found at www.regions.com.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Row 1	January 1 2018	December 31 2018	Yes	3 years

C0.3

(C0.3) Select the countries/regions for which you will be supplying data.

United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your consolidation approach to your Scope 1 and Scope 2 greenhouse gas inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Other, please specify (Nominating and Corporate Governance)	The Nominating and Corporate Governance (NCG) Committee of the Board of Directors is responsible for overseeing the Company's practices and reporting with respect to environmental stewardship and corporate social responsibilities that are of significance to the company and its stakeholders, including climate change. The Board of Directors and management understand that managing environmental, social, and governance issues, including climate change, is necessary for the long-term sustainability of the Company.
Other, please specify (Risk Committee)	The Risk Committee of the Board of Directors is responsible for the oversight of the Company's risk management practices, including the review and approval of the Risk Management Framework, the Enterprise Risk Appetite Statement, and significant risk management policies and limits that guide the prudent pursuit of risk and reward across the Company. The Committee meets on at least a quarterly basis to review the Company's performance against risk appetite and key risk management initiatives. Significant climate related risk factors are captured, where applicable, in risk assessments reviewed by the Committee.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Sporadic - as important matters arise	Reviewing and guiding strategy	The Nominating and Corporate Governance (NCG) Committee receives quarterly reports on the company's ESG practices and performance. In 2018, the NCG Committee oversaw the development of the Company's Environmental Sustainability Policy Statement and greenhouse gas emissions and energy use reduction goals.
Sporadic - as important matters arise	Other, please specify (Reviewing risk performance)	The Risk Committee is responsible for the oversight of the Company's enterprise risk management framework. The Risk Committee receives quarterly reports on the Company's risk performance, including reports on key operational loss events, which may include climate related events.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (Head of Corporate Real Estate and Procurement)	Both assessing and managing climate-related risks and opportunities	As important matters arise
Other committee, please specify (Enterprise Risk Management Committee)	Both assessing and managing climate-related risks and opportunities	As important matters arise
Other C-Suite Officer, please specify (Chief Governance Officer)	Both assessing and managing climate-related risks and opportunities	As important matters arise
Chief Risks Officer (CRO)	Assessing climate-related risks and opportunities	As important matters arise

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Head of Corporate Real Estate and Procurement is a member of the Company's Executive Leadership Team and reports to the Chief Operating Officer. In this role, the Head of Corporate Real Estate and Procurement is responsible for ensuring the Company is on track to meet its GHG emissions and energy use reduction goals and for identifying additional opportunities for the Company to reduce its GHG emissions, such as the evaluation of renewable energy procurement and energy efficiency investments.

The Chief Governance Officer (CGO) reports to the General Counsel and Corporate Secretary. The CGO is responsible for the Company's Environmental, Social, and Governance (ESG) program, which includes identifying and supporting the management of ESG-related risks and opportunities, including climate change.

The Enterprise Risk Management Committee (ERMC) is responsible for the establishment and oversight of the Risk Management Framework. The committee is comprised of senior management across the organization, including leadership from the Business lines, Risk Management, Finance, Human Resources, and Internal Audit. ERMC monitors enterprise and business performance of key risk types and monitors key issues through resolution.

The Chief Risk Officer is a member of Regions' Executive Leadership Team and reports to both, the Chief Executive Officer and The Chairman of the Board Risk Committee. This role includes maintenance of the Risk Management Framework, The Enterprise Risk Appetite Statement, and significant risk management policies and limits that guide the prudent pursuit of risk and reward across the Company.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

Yes

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Who is entitled to benefit from these incentives?

Environment/Sustainability manager

Types of incentives

Monetary reward

Activity incentivized

Energy reduction target

Comment

Merit compensation is tied to staying on track to meet the greenhouse gas emissions reduction and energy use reduction goals.

C2. Risks and opportunities

C2.1

(C2.1) Describe what your organization considers to be short-, medium- and long-term horizons.

	From (years)	To (years)	Comment
Short-term	0	1	These time horizons are based on the Company's enterprise-level strategic plan.
Medium-term	1	3	
Long-term	3		Regions' enterprise-level strategic plan forecasts out 3 years, but some business units use longer time-horizons.

C2.2

(C2.2) Select the option that best describes how your organization's processes for identifying, assessing, and managing climate-related issues are integrated into your overall risk management.

Integrated into multi-disciplinary company-wide risk identification, assessment, and management processes

C2.2a

(C2.2a) Select the options that best describe your organization's frequency and time horizon for identifying and assessing climate-related risks.

	Frequency of monitoring	How far into the future are risks considered?	Comment
Row 1	Six-monthly or more frequently	>6 years	Although our strategic planning process goes forward 3 years, cyclical issues that eclipse that time period – such as the credit cycle and their related risk drivers (including, potentially, climate change) – are within management's consideration.

C2.2b

(C2.2b) Provide further details on your organization's process(es) for identifying and assessing climate-related risks.

Region's Chief Risk Officer, who reports to the CEO and Risk Committee of the Board of Directors, and his team are responsible for the implementation of the Regions' Risk Management Framework (the "Framework") and for the successful development and maintenance of a risk-focused culture. Each associate is required to complete annual training on the principles of the Framework, and the Framework is made available to all associates via the employee intranet site.

The Company employs a continuous approach to risk identification and assessment called IMMMR, or Identify, Measure, Mitigate, Monitor, and Report, which is one of the key pillars of the Framework. IMMMR is applied consistently across the Company's classified risk types, including credit, market, liquidity, operational, compliance, legal, reputational, and strategic risks, all of which may reflect climate-related risk factors. Each component of IMMMR is further described below:

- *Identify.* All associates are responsible for the identification and escalation of risks. The Company employs numerous tools to aid in the identification of risks, including but not limited to, key risk indicators, root cause analyses, and scenario analyses.
- *Measure.* Identified risks are assessed for their potential impact and likelihood across numerous evaluation criteria and are evaluated against the Company's risk appetite.
- *Mitigate.* Mitigation efforts are developed for risks that reflect unacceptable exposure.
- *Monitor.* Identified risks and mitigation plans (where applicable) are monitored through the Company's corporate governance structure to ensure risks do not grow to unacceptable levels.
- *Report.* Identified risks, including emerging risks, are reported throughout the Company to facilitate a proactive approach to risk identification and awareness

Risk identification and assessment is a core component of our Risk Management Framework and is enacted through the three lines of defense.

- The first line of defense (e.g., client managers or debt product officers) owns and manages the risks that Regions faces in its day-to-day operations. Environmental and social risks, such as environmental impact, legal compliance, and safety issues present in a client's operations or credit transaction, would be identified by Regions associates in first line of defense roles.
- The second line of defense (e.g., credit officers) assesses risk and oversees the risk-taking activities of the first line of defense. The second line provides real-time oversight of the first line's risk mitigation actions and ensure relevant risk factors, including environmental or community, are appropriately mitigated before a transaction can move forward to approval.
- The third line of defense (e.g., audit and credit review) performs independent reviews and assessments of risk management practices of the first and second lines. Regions' specialized and geographic portfolios are examined on a regular basis to ensure compliance with existing loan and monitoring policies. If environmental or social issues surface with a client after the underwriting of a transaction has closed, review by the third line of defense ensures that such issues receive an appropriate post-closing evaluation. In the event the third line determines that an action plan must be established to mitigate an identified risk or operational issue, the first and second lines are tasked with developing and executing the plan within a given time frame. The third line of defense monitors and audits the actions taken to ensure the heightened risk has been appropriately mitigated.

Asset Level Risk:

As part of our risk management process, we have a dedicated industry team, the Energy and Natural Resources Group (ENRG), that underwrites exposure to energy and natural resources clients. The team has a broad and deep understanding of these industries and their environmental impacts. Our credit policies and procedures require the involvement of ENRG based on a client's primary NAICS code. Certain sectors, such as coal, utilities, and oil and gas have been identified as requiring heightened due diligence surrounding environmental impact, compliance with regulations, and other subsector-specific factors, such as diversification of fuel mix. In addition to expanded underwriting requirements, elevated approvals are required from senior credit executives, and these customers are monitored no less than annually per Regions' loan policies. Regions has also established industry concentration limits that are approved by the Bank's management-level Credit Risk Committee. These limits are monitored by the Risk Analytics team, who report to the Chief Risk Officer. Industry exposures are measured each quarter and reported to the Credit Risk Committee to ensure that industry exposure remains within risk tolerances.

Annual scenario analyses are performed for the impacts of severe weather to our facilities portfolio as a part of our business continuity planning.

C2.2c

(C2.2c) Which of the following risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	We continuously monitor for current and proposed laws and regulations that could have an impact on our operations or those of our customers, including those related to climate change. Specific lines of business and operational functions include current climate change related regulations in risk assessments and strategic planning. For example, we are subject to local energy and waste related regulations throughout the corporate real estate portfolio. In addition, we consider how current regulations could impact our customers and overall portfolio, and we perform compliance risk assessments at the business and enterprise level to assess the regulatory environment and the degree to which the Company's controls are supporting effective compliance with regulatory requirements.
Emerging regulation	Relevant, always included	Specific lines of business and operational functions include emerging regulation in their strategic planning, including climate-related regulations, and consider emerging regulation in compliance risk assessments. As highlighted in 2.2b, our ENRG team has a due diligence process, which includes consideration of potential emerging regulation that could impact our customers. We also recognize that climate change could have an impact on our value chain and we monitor national-level climate discussions.
Technology	Relevant, always included	Technology risk includes the risks associated with the creation and rise of new technology due to the transition to a lower-carbon economy. This includes the increasing affordability of renewable energy, as well as the costs we have been and are continuing to incur with transitioning operations to a more sustainable environment.
Legal	Relevant, always included	Legal risk is one of the key risk types defined in our Risk Management Framework, as discussed in 2.2b. Legal risk could include increased costs associated with fines or judgments or exposure to litigation due to climate change. At this time, we have not identified legal risks associated with climate change matters.
Market	Relevant, always included	Specific lines of business and operational functions include market fluctuations related to climate change in risk assessments and strategic planning. These market-based risks could include changing customer behaviors, the increase in the cost of raw materials like water and energy, as well as uncertainty in the market. As highlighted in 2.2b, our ENRG team has a robust due diligence process, which includes evaluating clients based on a number of environmental factors, including diversification of fuel mix. Organizationally, Corporate Real Estate monitors existing utility costs and uses that information for future project planning.
Reputation	Relevant, always included	Regions' Reputational Risk Management team provides effective counsel and tools to identify, escalate and mitigate reputational risk, and works to strengthen and reinforce our corporate culture. Environmental and social risks associated with potential business transactions are evaluated through a standardized reputational risk analysis at the corporate level. The team also challenges reputational risk assessments at the business level and prepares aggregate reputational risk assessments for the Company.
Acute physical	Relevant, always included	Regions uses scenario planning to evaluate potential natural weather disasters throughout our portfolio and to assess business continuity in our corporate real estate portfolio.
Chronic physical	Relevant, always included	Our scenario planning considers and accounts for the effects of short and long term environmental risk and natural disaster. These include flooding in coastal areas and extreme weather events such as tornados, hurricanes, and wildfire. Mitigation plans and response strategies are in place to minimize disruption to our business and customers.
Upstream	Relevant, always included	Upstream risks for Regions would include risks to our value chain or supply chain. We continue to improve our processes around risk and opportunity identification and management. Our Third Party Risk Management Program provides for a comprehensive evaluation of new and existing third parties to ensure engagements are managed within risk appetite.
Downstream	Relevant, always included	Climate Change can impact our customers and their operations, and the various risk assessments conducted throughout the Company at the product, vendor, business, or enterprise level that are reflective of potential climate risks consider the potential impact to our stakeholders. Moreover, as highlighted in section 2.2b, we identify customers likely to be impacted by a significant weather event or change in regulation/market with the transition to a low-carbon economy.

C2.2d

(C2.2d) Describe your process(es) for managing climate-related risks and opportunities.

Risks and opportunities are evaluated through the Company's simultaneous development of risk appetite and strategy. The results of the Company's IMMMR process, including any climate-related risk factors, are considered in the development of strategic objectives at the enterprise and business level. Strategic objectives are reviewed by members of the Businesses and Risk Management to ensure objectives are compatible with the Company's risk appetite and capacity, which are reflected in the Enterprise Risk Appetite Statement approved by the Risk Committee of the Board of Directors.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Risk 1

Where in the value chain does the risk driver occur?
Direct operations

Risk type
Physical risk

Primary climate-related risk driver
Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact
Please select

Company- specific description
We operate approximately 1,500 branches in 15 states across the South, Midwest, and Texas, and are the largest bank holding company headquartered in the Gulf States. Our operations are vulnerable to an increase in the severity, duration, and/or frequency of storms, which has the potential to disrupt the accessibility of our branches to our clients and associates, and also has the potential to damage our facilities, increasing capital costs.

Time horizon
Please select

Likelihood
Please select

Magnitude of impact
Please select

Are you able to provide a potential financial impact figure?
Please select

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure

Management method
Regions' business continuity program, developed in accordance with industry best practices and regulatory guidance, maintains incident response guides, among other programs, to support the continuation or resumption of critical services at levels that ensure customer satisfaction, meet necessary regulatory and contractual obligations, minimize financial losses, and protect the reputation of the Company. Regions also engages a third-party weather solution vendor to monitor and assess risk at the location level leading up to, during, and after weather events. Our team also uses location data and analysis to supplement this information.

Cost of management

Comment

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Customer

Risk type
Physical risk

Primary climate-related risk driver
Acute: Increased severity of extreme weather events such as cyclones and floods

Type of financial impact
Please select

Company- specific description
We are indirectly exposed to the impact our clients face from climate change , such as more severe and frequent weather events. Clients may be unable to repay loans due to storm damage, loss of income, or added expenses.

Time horizon
Please select

Likelihood
Please select

Magnitude of impact
Please select

Are you able to provide a potential financial impact figure?
Please select

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure

Management method
Regions uses our portfolio of customer and collateral data in addition to our location data and analysis capabilities to determine potential exposure to weather events for the bank as well as impact to our customers. Through this, we are able to determine areas that had higher potential for damage and proactively reached out to customers to assess their situation.

Cost of management

Comment

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Supply chain

Risk type
Transition risk

Primary climate-related risk driver
Policy and legal: Increased pricing of GHG emissions

Type of financial impact
<Not Applicable>

Company- specific description
We have indirect exposure to legislation through our sourcing of electricity to power our building portfolio. We are indirectly exposed to increased costs of electricity generation as a result of the direct impacts of legislation on the power sector. This could result in increased operating costs for Regions.

Time horizon
Unknown

Likelihood
More likely than not

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
1100000

Potential financial impact figure – maximum (currency)
4400000

Explanation of financial impact figure
The estimated range assumes a future carbon tax in the range from $10 to $40 per metric ton of CO2-e applied to our 2018 emissions. This potential tax range corresponds to 5% to 20% of our current annual energy cost.

Management method
In 2018, we adopted energy use reduction goals (30% reduction by 2023 based on 2015 baseline). We have achieved a 12% reduction since 2015 through the adoption and implementation of energy efficient technology, real estate portfolio optimization, and other energy conservation efforts . In addition, we are actively evaluating opportunities to purchase renewable energy and are also planning a pilot to install rooftop solar photovoltaic systems on our branches in 2019.

Cost of management

Comment

Identifier
Risk 4

Where in the value chain does the risk driver occur?
Customer

Risk type
Transition risk

Primary climate-related risk driver
Policy and legal: Mandates on and regulation of existing products and services

Type of financial impact
<Not Applicable>

Company- specific description
We have indirect exposure to legislation through our clients. We are indirectly exposed to credit risk as a result of the direct impacts of legislation on clients, in particular those in the natural resources and energy sectors. Climate change legislation and regulations that negatively impacts our clients could have an adverse impact on their creditworthiness and their demand for Regions products and services.

Time horizon
Please select

Likelihood
Please select

Magnitude of impact
Please select

Are you able to provide a potential financial impact figure?
Please select

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure

Management method
As part of our risk management process, we have a dedicated industry team, the Energy and Natural Resources Group (ENRG), that underwrites exposure to energy and natural resources clients. The team has a broad and deep understanding of the industries and their environmental impacts. Our credit policies and procedures require the involvement of ENRG based on a client's primary NAICS code. Certain sectors, such as coal, utilities, and oil and gas have been identified as requiring heightened due diligence surrounding environmental impact, compliance with regulations, and other subsector-specific factors, such as diversification of fuel mix. In addition to expanded underwriting requirements, elevated approvals are required from senior Credit executives and these customers are monitored no less than annually per Regions' loan policies. Regions has also established industry concentration limits that are approved by the bank's Credit Risk Committee. These limits are monitored by the Risk Analytics team who report to the Chief Credit Officer. Industry exposures are measured each quarter and reported to the Credit Risk Committee to ensure that industry exposure remains within risk tolerances.

Cost of management

Comment
In addition, Regions' Energy and Natural Resources White Paper, an internal document that defines our risk appetite, identifies many of the heightened environmental risks in lending to coal mining companies. This document is updated periodically and reflects Regions' decision to not lend to companies that utilize mountaintop removal mining practices to extract more than five percent of their total annual tonnage. In addition, extensions of credit to coal companies require enhanced due diligence with respect to legal and environmental compliance, as well as approval from Credit Officers within the ENRG approval chain. Regions manages its coal exposure as part of the Energy and Natural Resources portfolio and commitments to coal companies are reported on a quarterly basis to senior management.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Move to more efficient buildings

Type of financial impact
Reduced operating costs (e.g., through efficiency gains and cost reductions)

Company-specific description
In 2018, Regions adopted an Environmental Sustainability Policy Statement and environmental goals. Regions has committed to a 30% reduction in Scope 1 and 2 GHG emissions and energy use by 2023, with a 2015 baseline. We plan to meet these goals through: energy efficient lighting and the installation of automatic controls; HVAC and mechanical efficiency upgrades and improvements; building intelligence and remote control of HVAC and lighting; high-performance building envelope upgrades; education and awareness for continuous improvement of control processes; and real estate space efficiency and optimization.

Time horizon
Current

Likelihood
Virtually certain

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
224389

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
The impact figure is based on annual savings from energy efficiency projects.

Strategy to realize opportunity
Regions Corporate Real Estate team has taken advantage of the lowering cost of energy efficiency improvements to create ongoing energy efficiency projects including lighting retrofit and HVAC replacement.

Cost to realize opportunity
2366500

Comment

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Products and services

Primary climate-related opportunity driver
Ability to diversify business activities

Type of financial impact
Increased revenue through demand for lower emissions products and services

Company-specific description
Regions has developed multiple sustainable business areas of focus and will continue to evaluate future opportunities. The Solar Power Finance team at Regions supports the development and implementation of clean energy solutions for our Corporate Banking clients. Since 2016, Regions has provided capital in the form of sale-leasebacks to leading developers of utility scale and commercial photovoltaic (PV) solar projects across the U.S. By helping bring these projects to market, a portion of the traditional power supply is offset by carbon-free generation. In 2018, we provided $300 million in funding for eight individual PV solar projects located in Alabama, California, Tennessee, Vermont, and Washington. Overall generating capacity from these solar projects is 147 megawatts. Regions' Wealth Management Group provides individuals and institutions with products and services to help them manage and grow their assets. This group oversees $30 billion in combined assets. In 2018, Wealth Management expanded the products offered by Regions to include two equity and two fixed income ESG-focused products to our recommended list. The Natural Resources and Real Estate Group within Wealth Management manages natural resources properties held in trusts, estates, and agency accounts. As one of only a few banks that directly manages land and timber for clients, Regions demonstrates a commitment to sustainability and forestry best practices. Relying on a staff of more than 40 natural resource professionals and registered foresters, Regions is responsible for the sustainable management of approximate 1 million acres of timberland across 15 states. In addition to following BMPs, a portion of the timberland acres managed by Regions' foresters is certified under the 2015-2019 Sustainable Forestry Initiative Standard or the 2015-2020 American Tree Farm Certification Standard. Both third-party certification systems promote sustainable forestry practices aimed at protecting water quality, biodiversity, wildlife habitat, species at risk, and forests with exceptional conservation value.

Time horizon
Current

Likelihood
Very likely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure
The above numbers are derived from actual and anticipated potential revenues from our sustainable investment work.

Strategy to realize opportunity
The Solar Power Finance team at Regions supports the development and implementation of clean energy solutions for our Corporate Banking clients. Since 2016, Regions has provided capital in the form of sale-leasebacks to leading developers of utility scale and commercial photovoltaic (PV) solar projects across the U.S. totaling more than 370 megawatts in generating capacity. In addition to the work of our Solar Power Finance Team, Regions' Energy and Natural Resources Group (ENRG) specializes in tailored financing products and services for renewable energy projects. Our offerings include advisory and financing services to energy companies in conjunction with mergers and acquisitions, as well as issuances of bonds. The ENRG works closely with the Solar Power Finance team and commodities team to raise capital for renewable energy clients with solutions ranging from highly structured project finance to standard financing offerings. We have also provided construction funding to support the construction of projects and advised clients on green bond issuances and potential acquisition opportunities. As our platform continues to grow, we expect to execute on those bond and advisory opportunities in 2019.

Cost to realize opportunity

Comment

C2.5

(C2.5) Describe where and how the identified risks and opportunities have impacted your business.

	Impact	Description
Products and services	Impacted	As indicated in 2.4a, we are pursuing current opportunities and are evaluating future opportunities to grow products and services related to climate change and the transition to a low-carbon economy.
Supply chain and/or value chain	Impacted	As indicated in 2.3a, we recognize there may be an impact to companies in the energy and natural resources industry due to regulations, market conditions, and technology advancements. Similarly, we recognize that third parties that provide services to Regions may also be impacted. In 2018, we added language to our Master Agreement for Products and Services expressing our expectation that our vendors should seek to reduce their use of natural resources, energy use and related GHG emissions.
Adaptation and mitigation activities	Impacted	We continue to improve our processes around risk and opportunity identification and management, such as concentration limits and early warning indicators. In addition, we have focused on increasing the efficiency of our operations and reducing energy consumption in order to assist in the mitigation of climate change. We have decreased our GHG emissions by 47% since 2008 and have adopted goals committing to further reductions in 2018.
Investment in R&D	Impacted	As a regional bank, we do not have a traditional research and development department. However, as we continue to focus on making banking easier for our customers and enhancing digital services, we are seeing environmental and climate change benefits including the reduction of paper use through digitalization and electronic signatures and process efficiencies. In addition, we continue to evaluate additional opportunities to provide products and services to customers assisting in the transition to a low-carbon economy, including project finance and green bonds. We are also continuing to evaluate opportunities to improve our processes around risk and opportunity identification and management, as well as how climate change may impact business strategy.
Operations	Impacted	As noted in 2.3a and 2.4a, we have recognized risks and opportunities tied to our physical assets. As a part of this recognition we have adapted our real estate standards to include changes in how we build new branches, outfit existing spaces, and renovate. In addition, our efforts to reduce our GHG emissions have reduced our energy spend. We have decreased our GHG emissions by 47% since 2008 and have adopted goals committing to further reductions in 2018.
Other, please specify	Please select	

C2.6

(C2.6) Describe where and how the identified risks and opportunities have been factored into your financial planning process.

	Relevance	Description
Revenues	Impacted	We have seen an increase in revenues associated with the deployment of renewable energy and other low-carbon economy services solutions.
Operating costs	Impacted	We have seen a decrease in operating costs associated with our energy reduction programs. In 2018, we invested $2.4 million in energy efficiency and saw an annual energy cost savings of $10.6 million ($66 million in total energy cost savings since 2008). In addition, we benefit from reduced operating costs associated with our reduction of paper use and printing costs.
Capital expenditures / capital allocation	Impacted	Investments in energy efficiency technology, renewable energy, and efforts to reduce real estate square footage impact our capital expenditures.
Acquisitions and divestments	Not impacted	To date, we have not seen a substantial financial or strategic impact related to acquisitions and divestment due to climate change.
Access to capital	Not impacted	To date, we have not seen a substantial financial or strategic impact related to access to capital due to climate change.
Assets	Not impacted	To date, we have not seen a substantial financial or strategic impact related to assets due to climate change.
Liabilities	Not impacted	To date, we have not seen a substantial financial or strategic impact related to liabilities due to climate change.
Other	Please select	

C3. Business Strategy

C3.1

(C3.1) Are climate-related issues integrated into your business strategy?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform your business strategy?

No, and we do not anticipate doing so in the next two years

C3.1c

(C3.1c) Explain how climate-related issues are integrated into your business objectives and strategy.

As of Dec. 31, 2018, climate change has not been integrated into Regions' corporate-wide business strategy as per CDP definitions; however, Regions is evaluating options for integrating sustainability, including climate change issues, into our business strategy over the next few years. While climate change is not part of our company-wide business strategy, climate change risks and opportunities are part of our business operations and considered in strategic planning for specific lines of business and operational functions.

Since 2008, Regions has focused on reducing the Company's energy consumption and greenhouse gas (GHG) emissions through operational efficiencies, real estate portfolio optimization, and deployment of high-impact energy reduction projects. In 2018 we adopted our Environmental Sustainability Policy Statement and established our first set of environmental goals: 30% reduction in greenhouse gas emissions and 30% reduction in energy use by 2023, using a 2015 baseline. As of December 31, 2018, we have reduced emissions by 20% and energy use by 12%.

In 2018, we launched an initiative to reduce associate non-client business travel by 40 percent. Because collaboration and meeting as a team are important, we invested in video-teleconferencing technology that allows associates to easily hold virtual meetings. This initiative is expected to reduce our business travel Scope 3 emissions. We also installed electric vehicle charging stations at our large Birmingham and Nashville campuses to help provide the infrastructure for electric vehicles. We currently have 14 charging ports that are available to approximately 4,500 associates, and we are evaluating expanding this program to other areas within our footprint.

As part of our risk management process, we have a dedicated industry team, the Energy and Natural Resources Group (ENRG), that underwrites exposure to energy and natural resources clients. Certain sectors, such as coal, utilities, and oil and gas have been identified as requiring heightened due diligence surrounding environmental impact, compliance with regulations, and other subsector-specific factors, such as diversification of fuel mix. Regions has also established industry concentration limits that are approved by the Bank's management-level Credit Risk Committee. These limits are monitored by the Risk Analytics team, who report to the Chief Risk Officer. Industry exposures are measured each quarter and reported to the Credit Risk Committee to ensure that industry exposure remains within risk tolerances. Regions' Energy and Natural Resources White Paper, an internal document that defines our risk appetite, identifies many of the heightened environmental risks in lending to coal mining companies. In addition, as further discussed in section 2.2b, climate change risks are considered in each of our risk assessment categories and as part of our Risk Framework.

Regions also runs scenario planning on potential severe weather events and other physical disruptions that could become more severe due to the changing climate. This scenario planning is performed on our physical assets, as well as our financial assets in place.

In 2015, we created a dedicated solar lending team, which provides capital in the form of sale-leasebacks to developers of utility scale photovoltaic solar projects. In 2018, this team provided $300 million in funding for eight individual PV solar projects located in Alabama, California, Tennessee, Vermont, and Washington. Overall generating capacity from these solar projects is 147 megawatts.

In addition, the Natural Resources and Real Estate Group within Wealth Management manages natural resources properties held in trusts, estates, and agency accounts. Relying on a staff of more than 40 natural resource professionals and registered foresters, Regions is responsible for the sustainable management of approximate 1 million acres of timberland across 15 states. Our forestry management efforts and state are implemented to improve water quality, carbon sequestration, and wildlife habitat. A portion of the timberland acres managed by Regions' foresters is certified under the 2015-2019 Sustainable Forestry Initiative Standard or the 2015-2020 American Tree Farm Certification Standard.

C3.1g

(C3.1g) Why does your organization not use climate-related scenario analysis to inform your business strategy?

Regions recognizes the value of using scenario analysis as a tool. We currently use scenario analysis for severe weather events based on our operational portfolio, as well as our client portfolio. Given the relative newness of the concept of using a portfolio-wide scenario analysis based on the Paris Agreement, as well as the lack of widely used format to perform the analysis, Regions has not integrated it into business strategy.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Scope

Scope 1+2 (location-based)

% emissions in Scope

100

Targeted % reduction from base year

30

Base year

2015

Start year

2015

Base year emissions covered by target (metric tons CO2e)

136039

Target year

2023

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

% of target achieved

67

Target status

Underway

Please explain

20% reduction in scope 1 and 2 greenhouse gas emissions to date corresponds to 67% of our 30% target. This target covers properties for which Regions is responsible for direct payments of utilities. In 2018, this accounted for 85% of our properties based on square footage. The remaining 15% covers unmetered leased space within larger buildings, in which we do not have operational control.

C4.2

(C4.2) Provide details of other key climate-related targets not already reported in question C4.1/a/b.

Target
Energy usage

KPI – Metric numerator
MWh

KPI – Metric denominator (intensity targets only)
N/A

Base year
2015

Start year
2015

Target year
2023

KPI in baseline year
255711

KPI in target year
178998

% achieved in reporting year
40

Target Status
Underway

Please explain
12% reduction in energy use to date corresponds to 40% of our 30% target. This target covers properties for which Regions is responsible for direct payments of utilities. In 2018, this accounted for 85% of our properties based on square footage. The remaining 15% covers unmetered leased space within larger buildings, in which we do not have operational control.

Part of emissions target
This is a separate target, but building energy comprises 98% of our total scope 1 and 2 greenhouse gas emissions, so it is the primary component of our emissions target.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	7	
To be implemented*		
Implementation commenced*		
Implemented*	3	2907
Not to be implemented		

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative type
Energy efficiency: Building services

Description of initiative
Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
264

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
74389

Investment required (unit currency – as specified in C0.4)
1566500

Payback period
16-20 years

Estimated lifetime of the initiative
16-20 years

Comment
The payback period for this initiative is longer than typical for LED conversions due to the need for additional poles and other infrastructure upgrades required for compliance with security lighting standards.

Initiative type
Energy efficiency: Building services

Description of initiative
HVAC

Estimated annual CO2e savings (metric tonnes CO2e)
532

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
150000

Investment required (unit currency – as specified in C0.4)
800000

Payback period
4 - 10 years

Estimated lifetime of the initiative
11-15 years

Comment
This project included upgrades to building automation systems controlling HVAC systems to enable central monitoring by the Energy and Sustainability Management team and supervisory facilities staff.

Initiative type

Other, please specify (Real Estate Portfolio Optimization)

Description of initiative
<Not Applicable>

Estimated annual CO2e savings (metric tonnes CO2e)
2111

Scope
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
8386924

Investment required (unit currency – as specified in C0.4)

Payback period
Please select

Estimated lifetime of the initiative
>30 years

Comment
Actual total implementation cost and payback period for real estate portfolio optimization in 2018 is not available.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	Capital investments for energy efficiency were driven by compelling financial performance as well as by the need for replacement of HVAC, lighting, and other systems reaching the end of service life. The impact on our environmental goals is an important qualitative criterion in our project review and approval process.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?
Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation
Group of products

Description of product/Group of products
Solar Power Financing: Regions provides capital in the form of sale-leasebacks to developers of utility scale photovoltaic solar projects across the U.S. By helping to bring these projects to market, a portion of the traditional power supply is offset by carbon-free generation. In 2018, we provided $300 million in funding for projects with overall generating capacity from these solar projects is 147 megawatts.

Are these low-carbon product(s) or do they enable avoided emissions?
Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Please select

% revenue from low carbon product(s) in the reporting year

Comment

Level of aggregation
Group of products

Description of product/Group of products
Digital Banking, Paperless Statements, and Electronic Signature: We help our customers avoid emissions associated with driving to branches. In addition, the use of paperless statement and electronic signature reduces the emissions associated with paper usage and the transportation and storage of paper document.

Are these low-carbon product(s) or do they enable avoided emissions?
Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Please select

% revenue from low carbon product(s) in the reporting year

Comment

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
January 1 2015

Base year end
December 31 2015

Base year emissions (metric tons CO2e)
6224

Comment

Scope 2 (location-based)

Base year start
January 1 2015

Base year end
December 31 2015

Base year emissions (metric tons CO2e)
129815

Comment
This value includes an estimated 1.0145% to account for unmetered outdoor lighting. All other Scope 2 emissions are from metered electricity.

Scope 2 (market-based)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
6164

Start date
January 1 2018

End date
December 31 2018

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)
5092

Start date
January 1 2017

End date
December 31 2017

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)
5647

Start date
January 1 2016

End date
December 31 2016

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)
6224

Start date
January 1 2015

End date
December 31 2015

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based

Comment

C6.3

(C6.3) What were your organization’s gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
102979

Scope 2, market-based (if applicable)
<Not Applicable>

Start date
January 1 2018

End date
December 31 2018

Comment

Past year 1

Scope 2, location-based
105978

Scope 2, market-based (if applicable)
<Not Applicable>

Start date
January 1 2017

End date
December 31 2017

Comment

Past year 2

Scope 2, location-based
115498

Scope 2, market-based (if applicable)
<Not Applicable>

Start date
January 1 2016

End date
December 31 2016

Comment

Past year 3

Scope 2, location-based
129815

Scope 2, market-based (if applicable)
<Not Applicable>

Start date
January 1 2015

End date
December 31 2015

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Please select

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Capital goods

Evaluation status

Please select

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Please select

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Explanation

Upstream transportation and distribution

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Waste generated in operations

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
9095

Emissions calculation methodology
Emissions were calculated based on miles traveled, travel method fuels used, and industry estimates of transportation method efficiencies.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
64

Explanation
Emissions for air and rental car travel were provided by the respective companies and are believed to be reasonable. For part of the rental vehicle emissions, we were only able to collect emissions for 2018 4th quarter. To estimate full-year emissions, we multiplied that quarter's emissions by four.

Employee commuting

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Upstream leased assets

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Downstream transportation and distribution

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Processing of sold products

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Use of sold products

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

End of life treatment of sold products

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Downstream leased assets

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Franchises

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Investments

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Other (upstream)

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

Other (downstream)

Evaluation status

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Explanation

C6.7

(C6.7) Are carbon dioxide emissions from biologically sequestered carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
18.97

Metric numerator (Gross global combined Scope 1 and 2 emissions)
109143

Metric denominator
unit total revenue

Metric denominator: Unit total
5754

Scope 2 figure used
Location-based

% change from previous year
2.1

Direction of change
Decreased

Reason for change
Revenue increased by 0.3 percent. Scope 1 and 2 emissions decreased by 1.7 percent. Emissions per unit of revenue decreased by 2.1 percent in 2018 as compared with 2017.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	6117	IPCC Fourth Assessment Report (AR4 - 100 year)
CH4	34	IPCC Fourth Assessment Report (AR4 - 100 year)
N2O	12	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
US, Latin America and Caribbean (USLAC)	6164

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Natural gas for space heating, domestic hot water & food service in buildings with cafeterias	3860
Fleet fuels	2009
Emergency generator fuels	294

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted in market-based approach (MWh)
US, Latin America and Caribbean (USLAC)	102979		204073	

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based emissions (metric tons CO2e)	Scope 2, market-based emissions (metric tons CO2e)
Branches including branches with office space	73236	
Operations & data centers	22945	
Office buildings	2039	
Unmetered outdoor lighting	1424	
Remote drive-throughs	1379	
Call centers	923	
Parking, land, & signage	678	
Remote ATMs	352	

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined) and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption		<Not Applicable>		
Other emissions reduction activities	407	Decreased	0.3	This reduction reflects continued focus on energy efficiency in our buildings, efforts to reduce fuels used in corporate fleet, and fewer run hours on our emergency generators in 2018.
Divestment	1520	Decreased	1.4	Savings realized in 2018 include the effect of reduction in occupied space for which we control utilities of 509,024 square feet through strategic optimization of our real estate portfolio.
Acquisitions		<Not Applicable>		
Mergers		<Not Applicable>		
Change in output		<Not Applicable>		
Change in methodology		<Not Applicable>		
Change in boundary		<Not Applicable>		
Change in physical operating conditions		<Not Applicable>		
Unidentified		<Not Applicable>		
Other		<Not Applicable>		

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertakes this energy-related activity
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)		30697	30697
Consumption of purchased or acquired electricity	<Not Applicable>		204073	204073
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>		<Not Applicable>	
Total energy consumption	<Not Applicable>		234770	234770

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)
Natural Gas

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
21381

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat
21381

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
<Not Applicable>

Comment
The above-reported natural gas MWh are for space heating in buildings, domestic hot water, and cooking in buildings with cafeterias.

Fuels (excluding feedstocks)
Liquefied Petroleum Gas (LPG)

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
193

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
<Not Applicable>

Comment
The LPG is used in our main campus shuttle.

Fuels (excluding feedstocks)
Fuel Oil Number 2

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
1091

MWh fuel consumed for self-generation of electricity
1091

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
<Not Applicable>

Comment
The no. 2 fuel oil is used by our emergency power generators.

Fuels (excluding feedstocks)
Aviation Gasoline

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
6178

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
<Not Applicable>

Comment
This is fuel used in our corporate fleet.

Fuels (excluding feedstocks)
Motor Gasoline

Heating value
HHV (higher heating value)

Total fuel MWh consumed by the organization
1855

MWh fuel consumed for self-generation of electricity

MWh fuel consumed for self-generation of heat

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Comment

This fuel is used in our corporate fleet.

C8.2d

(C8.2d) List the average emission factors of the fuels reported in C8.2c.

Aviation Gasoline

Emission factor

8.94

Unit

kg CO2e per gallon

Emission factor source

US EPA's Emissions & Generation Resource Integrated Database (eGRID): https://www.epa.gov/energy/emissions-generation-resource-integrated-database-egrid

Comment

Fuel Oil Number 2

Emission factor

12.25

Unit

kg CO2e per gallon

Emission factor source

US EPA's Emissions & Generation Resource Integrated Database (eGRID): https://www.epa.gov/energy/emissions-generation-resource-integrated-database-egrid

Comment

Liquefied Petroleum Gas (LPG)

Emission factor

5.02

Unit

kg CO2e per gallon

Emission factor source

US EPA's Emissions & Generation Resource Integrated Database (eGRID): https://www.epa.gov/energy/emissions-generation-resource-integrated-database-egrid

Comment

Motor Gasoline

Emission factor

9.31

Unit

kg CO2e per gallon

Emission factor source

US EPA's Emissions & Generation Resource Integrated Database (eGRID): https://www.epa.gov/energy/emissions-generation-resource-integrated-database-egrid

Comment

Natural Gas

Emission factor

121

Unit

kg CO2e per MWh

Emission factor source

US EPA's Emissions & Generation Resource Integrated Database (eGRID): https://www.epa.gov/energy/emissions-generation-resource-integrated-database-egrid

Comment

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	436	436		
Heat				
Steam				
Cooling				

C8.2f

(C8.2f) Provide details on the electricity, heat, steam and/or cooling amounts that were accounted for at a low-carbon emission factor in the market-based Scope 2 figure reported in C6.3.

Basis for applying a low-carbon emission factor
No purchases or generation of low-carbon electricity, heat, steam or cooling accounted with a low-carbon emission factor

Low-carbon technology type
<Not Applicable>

Region of consumption of low-carbon electricity, heat, steam or cooling
<Not Applicable>

MWh consumed associated with low-carbon electricity, heat, steam or cooling
<Not Applicable>

Emission factor (in units of metric tons CO2e per MWh)
<Not Applicable>

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Other, please specify (Paper use)

Metric value
158316000

Metric numerator
sheets of copy paper

Metric denominator (intensity metric only)

% change from previous year
18

Direction of change
Decreased

Please explain
Sheets of copy paper used in 2018 decreased by 18% since 2017 due to digitalization of processes, process efficiencies, and behavioral changes.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Compliance & onboarding

Details of engagement
Other, please specify (Master Agreement for Products and Services)

% of suppliers by number
100

% total procurement spend (direct and indirect)
100

% Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement
Regions is committed to operating our business responsibly and as such expects that Vendor and its Subcontractors operate in a manner that promotes positive economic growth and ESG objectives. We include in our Master Agreement for Products and Services an expectation that vendors and their subcontractors work to minimize their use of natural resources and other negative impacts their operations have on the environment. We expect that our vendors strive to measure and reduce their energy and water use, waste generation, greenhouse gas emissions, and other environmental impacts as applicable to their operations.

Impact of engagement, including measures of success

Comment

C12.1c

(C12.1c) Give details of your climate-related engagement strategy with other partners in the value chain.

Engaging with our shareholders and soliciting their points of view is critical to providing long-term value to all of the Company's stakeholders. We are committed to holding constructive and meaningful communications with our shareholders and building ongoing relationships throughout the year. We have a formal year-round corporate governance engagement program, and we encourage shareholders to candidly provide their views on corporate governance issues, executive compensation and environmental, social, and governance (ESG) matters, including climate change and carbon emissions. During our engagements in 2018, we provided our shareholders with an update on our environmental sustainability policy statement, environmental goals, and environmental performance. We also solicited their feedback about how we could enhance our ESG program and disclosure, including as it relates to climate change. Throughout the year, Regions also engages with third-party ESG rating organizations; standard-setting organizations, such as the Sustainability Accounting Standards Board; and proxy advisory firms.

Regions also engages our associates on climate change and the reduction of resource use, such as paper, single-use serving products, and energy use. In 2018, we launched an initiative to reduce associate non-client business travel by 40 percent. Because collaboration and meeting as a team are important, we invested in video-teleconferencing technology that allows associates to easily hold virtual meetings. This initiative is expected to reduce our business travel Scope 3 emissions.

We also installed electric vehicle charging stations at our large Birmingham and Nashville campuses to help provide the infrastructure for electric vehicles. We currently have 14 charging ports that are available to approximately 4,500 associates, and we are evaluating expanding this program to other areas within our footprint. Furthermore, associates in the Birmingham area have the opportunity to participate in CommuteSmart, a Regional Planning Commission of Greater Birmingham initiative aimed at helping alleviate traffic congestion and reduce air pollution. Associates' participation in this program during 2018 reduced miles traveled by almost 400,000, saving 14,000 gallons of fuel and 221 metric tons of CO_2e.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

No

C12.3g

(C12.3g) Why do you not engage with policy makers on climate-related issues?

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In voluntary sustainability report

Status
Complete

Attach the document
2018 ESG Report - 2019-06-03_FINAL.pdf

Page/Section reference

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

C14. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C14.1

(C14.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Executive Vice President, Chief Governance Officer and Assistant Corporate Secretary	Other C-Suite Officer

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	Public or Non-Public Submission	I am submitting to
I am submitting my response	Public	Investors

Please confirm below
I have read and accept the applicable Terms